

UNITED STATES DEPARTMENT OF COMMERCE  
BUREAU OF INDUSTRY AND SECURITY  
WASHINGTON, D.C. 20230

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In the Matter of: )  
)  
Naji Antoine Abi Khalil )  
Inmate Number 52230-054 )  
FCI Allenwood Low )  
Federal Correctional Institution )  
P.O. Box 1000 )  
White Deer, PA 17887 )  
)  
Respondent: )  
)  
and )  
)  
Tomer Grinberg )  
also known as Tommy )  
Inmate Number 56347-054 )  
FCI Allenwood Low )  
Federal Correctional Institution )  
P.O. Box 1000 )  
White Deer, PA 17887 )  
)  
)  
.....  
Related Person )

ORDER DENYING EXPORT PRIVILEGES

A. Denial of Export Privileges of Naji Antoine Abi Khalil

On February 2, 2006, in the U.S. District Court in the Eastern District of Arkansas, Naji Antoine Abi Khalil ("Khalil" or "Respondent") pleaded guilty to three charges, including one violation of the International Emergency Economic Powers Act (50 U.S.C. §§ 1701 - 1706 (2000)) ("IEEPA"). As to the IEEPA count, Khalil pleaded guilty of unlawfully, willfully, and knowingly attempting to and making and receiving a contribution of funds, goods, and services to, and for the benefit of, Hizballah, a specially designated terrorist, by receiving and attempting

to transport night vision goggles, infrared aiming lights and other military night-vision equipment to Hizaballah. Khalil was sentenced to 57 months, 60 months, and 60 months for each charge respectively; and the sentences will be served concurrently. In addition, Khalil was fined \$100,000.00.

Section 11(h) of the Export Administration Act of 1979, as amended (currently codified at 50 U.S.C. app. §§ 2401-2420 (2000)) (the "Act")<sup>1</sup> and Section 766.25 of the Export Administration Regulations ("Regulations")<sup>2</sup> provide, in pertinent part, that "[t]he Director of Exporter Services, in consultation with the Director of the Office of Export Enforcement, may deny export privileges of any person who has been convicted of a violation of . . . IEEPA," for a period not to exceed 10 years from the date of conviction. 15 C.F.R. §§ 766.25(a) and (d). In addition, Section 750.8 of the Regulations states that BIS's Office of Exporter Services may revoke any BIS licenses previously issued in which the person had an interest in at the time of his conviction.

I have received notice of Khalil's conviction for violating IEEPA, and have provided notice and an opportunity for Khalil to make a written submission to the Bureau of Industry and Security as provided in Section 766.25 of the Regulations. Having received no submission from Khalil, I, following consultations with the Office of Export Enforcement, including its Director,

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<sup>1</sup> 50 U.S.C. app. §§ 2401-2420. Since August 21, 2001, the Act has been in lapse and the President, through Executive Order 13222 of August 17, 2001 (3 C.F.R., 2001 Comp. 783 (2002)), as extended by the Notice of August 3, 2006 (71 Fed. Reg. 44551, Aug. 7, 2006), has continued the Regulations in effect under the International Emergency Economic Powers Act (50 U.S.C. § § 1701-1706 (2000)) ("IEEPA").

<sup>2</sup> The Regulations are currently codified at 15 C.F.R. Parts 730-774 (2006).

have decided to deny Khalil's export privileges under the Regulations for a period of 10 years from the date of Khalil's conviction.

#### B. Denial of Export Privileges of Related Persons

In addition, pursuant to Sections 766.25(h) and 766.23 of the Regulations, the Director, Office of Exporter Services, in consultation with the Director, Office of Export Enforcement, may take action to name persons related to the Respondent by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business in order to prevent evasion of the Order. I gave notice to Tomer Grinberg ("Grinberg"), notifying him that his export privileges under the Regulations could be denied for up to 10 years as BIS believes that he is related to Khalil and including him in the Khalil Order is necessary to prevent evasion. The basis for naming Grinberg to the Khalil Order include the fact that Grinberg, is a co-conspirator of Khalil. Specifically, Grinberg pled guilty to conspiracy to violate IEEPA, in violation of 18 U.S.C. § 371, for conspiring to export from the United States certain defense items (night vision goggles, infrared aiming devices, and other military night vision equipment) and Commerce Control List items (Astrocope night vision module classified under 6A003) without the required U.S. Government authorization. Based upon these facts, Grinberg is related to Khalil by ownership, control, position of responsibility, affiliation, or other connection in the conduct of trade or business and he needs to be named to any Khalil Denial Order to prevent evasion of it.

Having received no submission from Grinberg, I have decided, following consultations with the Office of Export Enforcement, including its Director, to name Grinberg as a related

person to the Khalil Denial Order, thereby denying his export privileges for 10 years from the date of Khalil's conviction.

I have also decided to revoke all licenses issued pursuant to the Act or Regulations in which Khalil and Grinberg had an interest at the time of Khalil's conviction. The 10-year denial period ends on February 2, 2016.

Accordingly, it is hereby

**ORDERED**

I. Until February 2, 2016, Naji Antoine Abi Khalil, Inmate Number 52230-054, FCI Allenwood Low, Federal Correctional Institution, P.O. Box 1000, White Deer, PA 17887, and when acting for or on his behalf, his employees, agents or representatives, ("the Denied Person") and the following person related to the Denied Person as defined by Section 766.23 of the Regulations, Tomer Grinberg, also known as Tommy, Inmate Number 56347-054, FCI Allenwood Low, Federal Correctional Institution, P.O. Box 1000, White Deer, PA 17887, and when acting for or on his behalf, his employees, agents or representatives, ("the Related Person") (together, the Denied Person and the Related Person are "Persons Subject To This Order") may not, directly or indirectly, participate in any way in any transaction involving any commodity, software or technology (hereinafter collectively referred to as "item") exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations, including, but not limited to:

- A. Applying for, obtaining, or using any license, License Exception, or export control document;

- B. Carrying on negotiations concerning, or ordering, buying, receiving, using, selling, delivering, storing, disposing of, forwarding, transporting, financing, or otherwise servicing in any way, any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations; or
  - C. Benefitting in any way from any transaction involving any item exported or to be exported from the United States that is subject to the Regulations, or in any other activity subject to the Regulations.
- II. No person may, directly or indirectly, do any of the following:
- A. Export or reexport to or on behalf of the Persons Subject To This Order any item subject to the Regulations;
  - B. Take any action that facilitates the acquisition or attempted acquisition by the Persons Subject To This Order of the ownership, possession, or control of any item subject to the Regulations that has been or will be exported from the United States, including financing or other support activities related to a transaction whereby the Persons Subject To This Order acquires or attempts to acquire such ownership, possession or control;
  - C. Take any action to acquire from or to facilitate the acquisition or attempted acquisition from the Persons Subject To This Order of any item subject to the Regulations that has been exported from the United States;

- D. Obtain from the Persons Subject To This Order in the United States any item subject to the Regulations with knowledge or reason to know that the item will be, or is intended to be, exported from the United States; or
- E. Engage in any transaction to service any item subject to the Regulations that has been or will be exported from the United States and which is owned, possessed or controlled by the Persons Subject To This Order, or service any item, of whatever origin, that is owned, possessed or controlled by the Persons Subject To This Order if such service involves the use of any item subject to the Regulations that has been or will be exported from the United States. For purposes of this paragraph, servicing means installation, maintenance, repair, modification or testing.

III. In addition to the Related Person named above, after notice and opportunity for comment as provided in section 766.23 of the Regulations, any other person, firm, corporation, or business organization related to Khalil by affiliation, ownership, control, or position of responsibility in the conduct of trade or related services may also be made subject to the provisions of this Order if necessary to prevent evasion of the Order.

IV. This Order does not prohibit any export, reexport, or other transaction subject to the Regulations where the only items involved that are subject to the Regulations are the foreign-produced direct product of U.S.-origin technology.

V. This Order is effective immediately and shall remain in effect until February 2, 2016.

VI. In accordance with Part 756 of the Regulations, Khalil may file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be

filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.

VII. In accordance with Part 756 of the Regulations, Tomer Grinberg may file an appeal of this Order with the Under Secretary of Commerce for Industry and Security. The appeal must be filed within 45 days from the date of this Order and must comply with the provisions of Part 756 of the Regulations.

VIII. A copy of this Order shall be delivered to Khalil and the Related Person. This Order shall be published in the Federal Register.

Date: November 14, 2006



Eileen M. Albanese  
Director  
Office of Exporter Services